

SCHOOL EXCESS LIABILITY FUND
Financial Statements
June 30, 2023 and 2022
With Independent Auditor's Reports

School Excess Liability Fund
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June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Fund Commissioners of
School Excess Liability Fund:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of School Excess Liability Fund, which comprise the statements of net position as of June 30, 2023 and 2022, and the related statements of revenue, expenses and changes in net position and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of School Excess Liability Fund as of June 30, 2023 and 2022, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs and Banking and Insurance. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of School Excess Liability Fund and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about School Excess Liability Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs and Banking and Insurance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements as prescribed by the State of New Jersey, Department of Community Affairs and Banking and Insurance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of School Excess Liability Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about School Excess Liability Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management, discussion, and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial

statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2023 on our consideration of School Excess Liability Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of School Excess Liability Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School Excess Liability Fund's internal control over financial reporting and compliance.



November 29, 2023

School Excess Liability Fund
Statements of Net Position
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash	\$ 24,550,222	\$ 17,339,289
Investments	12,591,934	12,632,768
Accrued interest income	45,510	47,795
Due from reinsurer, net	637,973	2,271,215
Prepaid expenses	4,018	-
Total assets	<u>37,829,657</u>	<u>32,291,067</u>
Liabilities and Reserves		
Current liabilities		
Administrative expenses payable	115,439	97,073
Insurance and reinsurance premiums payable	<u>7,569,319</u>	<u>4,643,218</u>
	<u>7,684,758</u>	<u>4,740,291</u>
Claims reserves		
Case reserves	15,382,629	11,697,794
IBNR reserves	<u>12,634,537</u>	<u>11,448,952</u>
	<u>28,017,166</u>	<u>23,146,746</u>
Total liabilities and reserves	<u>35,701,924</u>	<u>27,887,037</u>
Net Position		
Net position - unrestricted	<u>\$ 2,127,733</u>	<u>\$ 4,404,030</u>

The Notes to Financial Statements are an integral part of these statements.

School Excess Liability Fund
Statements of Revenue, Expenses and Changes in Net Position
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Underwriting income - regular contributions	\$ 30,367,760	\$ 27,345,431
Expenses		
Claims		
Paid	2,981,173	2,927,432
Increase in case reserves	3,684,835	1,328,444
Increase in IBNR reserves	<u>1,185,585</u>	<u>2,195,579</u>
Claims - net	7,851,593	6,451,455
Insurance and reinsurance premiums	25,283,387	22,263,460
Administrative expenses	<u>299,656</u>	<u>49,872</u>
Total expenses	<u>33,434,636</u>	<u>28,764,787</u>
Operating loss	<u>(3,066,876)</u>	<u>(1,419,356)</u>
Investment return (loss)		
Investment income	1,014,920	236,193
Change in fair value of investments	<u>(224,341)</u>	<u>(787,929)</u>
Investment return (loss), net	<u>790,579</u>	<u>(551,736)</u>
Net loss	(2,276,297)	(1,971,092)
Net position		
Beginning of year	<u>4,404,030</u>	<u>6,375,122</u>
End of year	<u>\$ 2,127,733</u>	<u>\$ 4,404,030</u>

The Notes to Financial Statements are an integral part of these statements.

School Excess Liability Fund
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating activities		
Underwriting income - regular contributions	\$ 30,367,760	\$ 27,345,431
Claims paid	(2,981,173)	(2,927,432)
Insurance and reinsurance premiums paid	(20,724,044)	(19,633,586)
Administrative expenses paid	(285,309)	(40,829)
Net cash provided by operating activities	<u>6,377,234</u>	<u>4,743,584</u>
Investing activities		
Sale/maturity of investment securities	2,926,405	3,096,492
Purchase of investment securities	(3,115,176)	(3,378,456)
Investment income	1,022,470	255,759
Net cash provided by (used in) investing activities	<u>833,699</u>	<u>(26,205)</u>
Net change in cash and cash equivalents	7,210,933	4,717,379
Cash and cash equivalents		
Beginning of year	<u>17,339,289</u>	<u>12,621,910</u>
End of year	<u>\$ 24,550,222</u>	<u>\$ 17,339,289</u>
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (3,066,876)	\$ (1,419,356)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Change in assets and liabilities		
Due from reinsurer	1,633,242	188,028
Prepaid expenses	(4,018)	3,325
Case and IBNR reserves	4,870,419	3,524,023
Administrative expenses payable	18,366	5,718
Insurance and reinsurance premiums payable	<u>2,926,101</u>	<u>2,441,846</u>
Net cash provided by operating activities	<u>\$ 6,377,234</u>	<u>\$ 4,743,584</u>

The Notes to Financial Statements are an integral part of these statements.

School Excess Liability Fund
Notes to Financial Statements
June 30, 2023 and 2022

1. ORGANIZATION

School Excess Liability Fund (the “Fund”) is a joint insurance fund which was formed effective July 1, 2004 under the provisions of N.J.S.A. 18A:18B-1 et seq. The Fund membership is open to all qualified joint insurance funds. The Fund’s membership is currently composed of School Alliance Insurance Fund and Diploma Joint Insurance Fund. The Fund’s general objective is to provide members with an alternative to the excess insurance market.

The bylaws of the Fund, as supplemented by the Risk Management Plan, set forth the various procedures which are to be followed in the organization, administration, and operation of the Fund.

Fund members are subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would be responsible for the Fund liabilities. The Fund considers investment income when determining deficiencies.

The Fund’s administrator (the “Administrator”) is responsible for the overall administration of the Fund. Fees paid to the Administrator cover all administrative costs; accordingly, the Fund does not maintain any fixed assets nor incur any employee payroll expense.

The Fund offers its members coverage for excess property, excess general and auto liability, excess workers’ compensation, and employers’ liability.

Losses in excess of the amounts below are covered by reinsurance and excess insurance contracts. Effective 2012/13, the Fund has an additional per occurrence \$150,000 self-insured retention (“SIR”) on property for named storm systems that does not accrue to the aggregate. The Fund’s SIR liability for claims is limited to the following coverage and amounts:

	<u>Fund Year(s)</u>	<u>Loss Type</u>	<u>Per Occurrence SIR</u>	<u>Aggregate SIR</u>
Workers' Compensation and Employers' Liability	2004/2005 through 2010/2011	Loss & ALAE	\$ 250,000	None
	2011/2012 through 2015/2016	Loss & ALAE	\$ 150,000	None
	2016/2017 through 2022/2023	Loss & ALAE	\$ 250,000	None
Property and Liability	2006/2007	Loss & ALAE	\$ 150,000	\$ 813,956
	2007/2008	Loss & ALAE	\$ 150,000	\$ 857,901
	2008/2009	Loss & ALAE	\$ 150,000	\$ 950,000
	2009/2010	Loss & ALAE	\$ 150,000	\$ 810,000
	2010/2011	Loss & ALAE	\$ 150,000	\$ 900,000
	2011/2012	Loss & ALAE	\$ 150,000	\$ 900,000
	2012/2013	Loss & ALAE	\$ 150,000	\$ 900,000
	2013/2014	Loss & ALAE	\$ 150,000	\$ 900,000
	2014/2015	Loss & ALAE	\$ 150,000	\$ 900,000
	2015/2016	Loss & ALAE	\$ 150,000	\$ 1,134,148
	2016/2017	Loss & ALAE	\$ 150,000	\$ 1,100,000
	2017/2018	Loss & ALAE	\$ 150,000	\$ 1,166,000
	2018/2019	Loss & ALAE	\$ 150,000	\$ 1,239,548
	2019/2020	Loss & ALAE	\$ 150,000	\$ 1,225,348
	2020/2021	Loss & ALAE	(a)	\$ 4,844,848
2021/2022	Loss & ALAE	(a)	\$ 4,600,000	
2022/2023	Loss & ALAE	(a)	\$ 5,000,000	

School Excess Liability Fund
Notes to Financial Statements
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(a) Property \$150,000/Liability \$400,000.

The Fund has an ALGL loss corridor and an SLPL loss corridor, both of which are included in the reinsurance expense and liability, as follows:

1. Effective for the 2020/2021 fund year, for school board legal liability, once the first \$200,000 of each claim has been paid by either of the Fund's members, the Fund will pay an aggregate loss corridor of \$900,000 across all claims before the excess carrier commences payment. Effective for the 2021/2022 fund year, for school board legal liability, once the first \$300,000 of each claim has been paid by either of the Fund's members, the Fund will pay an aggregate loss corridor of \$1,000,000 across all claims before the excess carrier commences payment
2. Beginning with fund year 2020/2021 for auto and property liability, once the Fund's excess layer of \$400,000, as noted in the above table, has been paid, the Fund will pay an aggregate loss corridor of \$2,000,000 across all occurrences before the excess carrier commences payment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The focus of the enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Governmental Accounting Standards Board Codification Section 2100, *Defining Financial Reporting Entity*, establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards, and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Fund has determined that there were no additional entities required to be included in the reporting entity under the criteria as described above in the current year. In addition, the Fund is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting

The Fund utilizes the economic resources measurement focus and the accrual basis of accounting whereby revenue is recorded as earned and expenses reflected as incurred. Net position reflects the excess (deficit) of total assets over total liabilities and reserves.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. In addition, certain actuarial assumptions have been made in the preparation of these financial statements. Actual results could differ from those estimates. Significant estimates included in these financial statements are fair market value of investments, case reserves, and incurred but not reported ("IBNR") reserves.

School Excess Liability Fund

Notes to Financial Statements

June 30, 2023 and 2022

Cash and Investments

The Fund considers all highly liquid investments with maturities of less than three months at the time of purchase to be cash. The investments in government-backed fixed maturities are carried at fair value. Fair value has been supplied by the custodian.

New Jersey Statutes require deposits in a bank or trust company which has its place of business in the state of New Jersey and is organized under the laws of the United States or the State of New Jersey. New Jersey Statutes provide a list of investments which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, bonds or other obligations of the local unit or bonds or other obligations of the governmental unit of which the local unit is a part or within which the governmental unit is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies.

New Jersey Statutes establish the requirement for the security of deposits of governmental units. The statutes require that no governmental unity shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks, or associations located in or having a branch office in the state of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral having a market value at least equal to 5% of the average daily balance of collected public funds to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Fund has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of GUDPA. The cash management plan designates the allowed depositories.

Revenue Recognition

The Fund offers annual coverage to its members. Member assessments (contributions) are recorded on the accrual basis. The member assessments are determined by the Fund Administrator and then certified by vote of the Fund's Board of Trustees. There are no advance sums collected for the revenue streams except any prepayments recorded as a liability. Revenue is recognized in the year the coverage is in effect and is recognized ratably over the period the service is provided.

Claims Liabilities

The Fund establishes claims liabilities for the Fund's SIR loss and claim adjustment expense based on estimates of the ultimate cost of claims that have been reported but not settled and claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims cost depends on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors.

School Excess Liability Fund
Notes to Financial Statements
June 30, 2023 and 2022

A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual and historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. The Fund does not discount claim liabilities. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Subrogation and other recoverable claim amounts are recognized as a reduction of claim payments upon the receipt of cash or are accrued for if the recoverable amount is known.

Reinsurance

The Fund purchases reinsurance contracts in accordance with the Risk Management Plan. Although reinsurance does not discharge the primary liability of the Fund as direct insurer of the risk of loss, the Fund does not report the claim payments or liabilities under reinsurance contracts unless it is probable that those liabilities will not be covered by reinsurers. A contingent liability may exist with respect to reinsurance which would become an actual liability in the event any of the insurance companies might be unable to meet their obligations to the Fund.

Income Taxes

The Fund is a tax-exempt organization and is not subject to either federal or state income taxes.

Fair Value of Financial Instruments

According to professional standards, the Fund measures its fair value under accounting principles generally accepted in the United States of America and provides disclosures about fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs using a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, used to measure fair value as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

3. CASH AND CASH EQUIVALENTS

At June 30, the carrying amounts of the Fund's deposits and the corresponding bank balances were as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
Operating checking account	\$ 16,901,695	\$ 16,901,595	\$ 17,299,552	\$ 17,299,552
NJ Term deposits	7,590,600	7,590,600	-	-
Money market accounts	<u>57,927</u>	<u>57,927</u>	<u>39,737</u>	<u>39,737</u>
	<u>\$ 24,550,222</u>	<u>\$ 24,550,122</u>	<u>\$ 17,339,289</u>	<u>\$ 17,339,289</u>

School Excess Liability Fund

Notes to Financial Statements

June 30, 2023 and 2022

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Fund's deposits might not be recovered. Although the Fund does not have a formal policy regarding custodial credit risk, New Jersey Statutes require that governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA.

The operating checking account, money market account, NJ Term deposits, and the claims checking accounts are deposited in public depositories which are fully insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation and amounts in excess of \$250,000 are fully collateralized by the bank through GUDPA. Of the Fund's bank balances of \$24,550,122 and \$17,339,289, \$250,000 and \$250,000 were insured and \$24,300,122 and \$17,089,289 were collateralized under GUDPA at June 30, 2023 and 2022, respectively.

4. INVESTMENTS

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Fund, and are held by either the counterparty or the counterparty's trust department or agent but not in the Fund's name.

At both June 30, 2023 and 2022, the Fund invested only in notes backed by the federal government and triple A rated by Moody's with various interest rates ranging from 0.25% to 4.125% as of June 30, 2023 and 0.25% to 3.0% as of June 30, 2022. The maturity dates range from November 30, 2023 to May 31, 2028 as of June 30, 2023 and from September 30, 2022 to September 30, 2026 as of June 30, 2022. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments that are in the possession of an outside party. At June 30, 2023 and 2022, all of the Fund's investments are under the custody of New Jersey Asset and Rebate Management Program, who is the Fund's investment advisor.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To limit risk, the Fund's investment policy provides that no investment or deposit shall have a maturity longer than five years from date of purchase.

Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. New Jersey Statutes limit the investments that the Fund may purchase, such as U.S. Treasury securities, in order to limit the exposure of governmental units to credit risk. The Fund has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Fund does not place a limit on the amount that may be invested in any one issuer. All the Fund's investments are in debt obligations.

School Excess Liability Fund
Notes to Financial Statements
June 30, 2023 and 2022

Future maturities of investments at June 30 are as follows:

	<u>2023</u>	<u>2022</u>
Within 1 year	\$ 1,263,029	\$ 1,978,070
2-5 years	<u>11,328,905</u>	<u>10,654,698</u>
	<u>\$ 12,591,934</u>	<u>\$ 12,632,768</u>

Investments are stated at fair value. The difference between fair value and amortized cost is recorded as unrealized gain each year. The amounts are as follows as of June 30:

	<u>2023</u>	<u>2022</u>
Face value	\$ 13,485,000	\$ 13,135,000
Unamortized premium (discount), net	(123,921)	42,572
Unrealized loss, net	<u>(769,145)</u>	<u>(544,804)</u>
Fair value	<u>\$ 12,591,934</u>	<u>\$ 12,632,768</u>

Investment return consisted of the following for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Interest income	\$ 1,020,186	\$ 244,701
Amortization of (premium) discount, net	5,165	(28,473)
Realized gain (loss) using amortized cost	<u>(10,431)</u>	<u>19,965</u>
Investment return, net	<u>\$ 1,014,920</u>	<u>\$ 236,193</u>

5. FAIR VALUE ACCOUNTING

Recurring Fair Value Measurements

The Fund has provided fair value disclosure information for relevant assets and liabilities in these financial statements. The following tables summarize assets which have been accounted for at fair value on a recurring basis as of June 30 along with the basis for the determination of fair value:

	<u>2023</u>			
	<u>Basis for Valuation</u>			
	<u>Total</u>	<u>Quoted Prices in Active Markets</u>	<u>Observable Measurement Criteria</u>	<u>Unobservable Measurement Criteria</u>
Investments in				
U.S. Treasury Notes	<u>\$ 12,591,934</u>	<u>\$ 12,591,934</u>	<u>\$ -</u>	<u>\$ -</u>

School Excess Liability Fund
Notes to Financial Statements
June 30, 2023 and 2022

	2022			
	Total	Quoted Prices in Active Markets	Observable Measurement Criteria	Unobservable Measurement Criteria
Investments in				
U.S. Treasury Notes	\$ 12,632,768	\$ 12,632,768	\$ -	\$ -

For applicable assets and liabilities subject to this pronouncement, the Fund will value such assets and liabilities using quoted market prices in active markets for identical assets and liabilities to the extent possible. To the extent that such market prices are not available, the Fund will next attempt to value such assets and liabilities using observable measurement criteria, including quoted market prices of similar assets and liabilities in active and inactive markets and other corroborated factors. In the event that quoted market prices in active markets and other observable measurement criteria are not available, the Fund will develop measurement criteria based on the best information available.

U.S. Government-backed fixed rate notes are valued at the closing price reported on the active market on which individual securities are traded along with comparable bond ratings under Moody's and S&P.

The valuation methods for these investments are consistent for the years ended June 30, 2023 and 2022.

6. LOSS RESERVES

The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all losses and loss adjustment expenses incurred but not yet paid. This estimate is based on the estimated ultimate cost of settling the claims considering the historical experience of the members, various other industry statistics, including the effects of inflation and other societal or economic factors, and the Fund's self-insured retention level. Management believes that the liability for unpaid losses is adequate to cover the ultimate cost of reported and unreported claims incurred but not yet paid. However, the ultimate cost may be more or less than the estimated liability. The Fund has created a loss reserve for any reported and potential unreported losses which have taken place but in which the Fund has not received notices or reports of losses.

Loss reserves at June 30 that have been estimated by the Fund's Actuary and Claims Servicing Organizations are as follows:

	2023	2022
Case reserves	\$ 15,382,629	\$ 11,697,794
Reserves for losses incurred but not reported	12,634,537	11,448,952
	<u>\$ 28,017,166</u>	<u>\$ 23,146,746</u>

School Excess Liability Fund
Notes to Financial Statements
June 30, 2023 and 2022

The following represents changes in the aggregate reserves for the Fund during the years ended June 30:

	<u>2023</u>	<u>2022</u>
Unpaid claim liabilities, beginning of year	\$ 23,146,746	\$ 19,622,723
Incurred claims		
Provision for insured events of the current year	6,159,118	6,053,392
Increase in provision for insured events of prior years	<u>1,692,475</u>	<u>398,063</u>
Total increase in incurred claims	<u>7,851,593</u>	<u>6,451,455</u>
Claim payments		
Payments - net on claims for insured events of the current year	354,674	734,949
Payments - net on claims for insured events of prior years	<u>2,626,499</u>	<u>2,192,483</u>
Total claim payments	<u>2,981,173</u>	<u>2,927,432</u>
Unpaid claim liabilities, end of year	<u>\$ 28,017,166</u>	<u>\$ 23,146,746</u>

7. CONCENTRATION OF RISK

For the years ended June 30, 2023 and 2022, the Fund's underwriting income is derived from two members. The larger of the two members accounted for approximately 87% of income for the years ended June 30, 2023 and 2022. The significant concentration presents a risk that if one of the members withdraws from the Fund it will then fail to meet the requirements as a "Fund" defined under statute. The Fund would be required to advise the New Jersey Department of Banking and Insurance of its plan to bring the Fund in compliance or cease to exist. The Fund does not foresee this occurring and is actively seeking additional members. The Fund is currently in compliance with all terms and conditions set forth by the Fund.

8. SUBSEQUENT EVENTS

The Fund has evaluated subsequent events occurring after the statement of net position date through November 29, 2023, which is the date the financial statements were available to be issued. Based on this evaluation, the Fund has determined that no subsequent events other than that listed below have occurred that require adjustment to or disclosure in the financial statements.

- For Fund Year 2023 - 2024, the Fund added a third member.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

To the Fund Commissioners of
School Excess Liability Fund:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of School Excess Liability Fund (the "Fund"), which comprise the statement of net position as of June 30, 2023, the related statements of revenue, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

WithumSmith+Brown, PC

November 29, 2023

REQUIRED SUPPLEMENTARY INFORMATION

School Excess Liability Fund
Ten Year Claims Development Information
Year Ended June 30, 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Underwriting income - regular contributions	\$ 13,900,989	\$ 15,619,244	\$ 17,132,684	\$ 17,437,770	\$ 17,479,021	\$ 16,976,091	\$ 17,845,778	\$ 22,919,335	\$ 27,345,431	\$ 30,367,760
Interest and other income (loss)	<u>37,776</u>	<u>102,868</u>	<u>199,359</u>	<u>315,360</u>	<u>279,984</u>	<u>250,382</u>	<u>133,940</u>	<u>(90)</u>	<u>12,546</u>	<u>180,050</u>
	<u>\$ 13,938,765</u>	<u>\$ 15,722,112</u>	<u>\$ 17,332,043</u>	<u>\$ 17,753,130</u>	<u>\$ 17,759,005</u>	<u>\$ 17,226,473</u>	<u>\$ 17,979,718</u>	<u>\$ 22,919,245</u>	<u>\$ 27,357,977</u>	<u>\$ 30,547,810</u>
Insurance and reinsurance premiums	\$ 10,550,689	\$ 12,147,166	\$ 13,176,313	\$ 12,504,817	\$ 12,724,132	\$ 12,368,494	\$ 13,311,575	\$ 18,039,173	\$ 22,263,462	\$ 22,263,462
Administrative expenses	<u>121,351</u>	<u>127,532</u>	<u>129,951</u>	<u>130,058</u>	<u>132,711</u>	<u>136,153</u>	<u>133,383</u>	<u>136,225</u>	<u>143,687</u>	<u>145,339</u>
	<u>\$ 10,672,040</u>	<u>\$ 12,274,698</u>	<u>\$ 13,306,264</u>	<u>\$ 12,634,875</u>	<u>\$ 12,856,843</u>	<u>\$ 12,504,647</u>	<u>\$ 13,444,958</u>	<u>\$ 18,175,398</u>	<u>\$ 22,407,149</u>	<u>\$ 22,408,801</u>
Estimated incurred claims, end of policy year	\$ 3,360,000	\$ 3,300,000	\$ 3,723,148	\$ 4,065,000	\$ 4,266,000	\$ 4,526,162	\$ 4,307,885	\$ 4,773,764	\$ 6,053,392	\$ 6,159,118
Cumulative paid claims as of										
End of policy year	823,202	797,619	302,125	311,670	380,361	824,343	488,916	558,119	734,949	354,674
One year later	1,716,722	1,279,556	771,142	677,108	855,959	931,015	909,028	862,098	1,544,755	
Two years later	2,324,329	1,698,051	1,014,091	903,899	1,307,520	1,287,491	1,106,411	1,065,271		
Three years later	2,871,994	2,201,361	1,692,053	1,185,258	1,772,914	1,646,316	1,372,604			
Four years later	3,318,911	2,441,905	2,090,391	1,310,229	2,238,638	2,218,215				
Five years later	3,899,877	2,728,043	2,323,746	1,428,578	2,328,083					
Six years later	4,369,897	2,786,590	25,136,798	1,536,095						
Seven years later	4,574,618	2,884,156	2,613,385							
Eight years later	4,780,310	2,972,290								
Nine years later	4,888,289									
Cumulative incurred claims as of										
End of policy year	3,360,000	3,300,000	3,723,148	4,065,000	4,266,000	4,526,162	4,307,885	4,773,764	6,053,392	6,159,118
One year later	4,100,000	4,250,001	3,764,999	2,245,000	4,182,508	5,129,502	3,388,618	4,676,820	8,008,703	
Two years later	4,890,001	3,475,000	3,623,147	2,166,817	3,961,588	4,558,845	3,434,501	4,430,621		
Three years later	5,068,999	3,383,208	3,525,185	2,116,115	3,866,799	4,646,472	3,327,765			
Four years later	5,029,218	3,672,016	3,709,268	2,223,150	3,975,738	4,535,488				
Five years later	5,031,061	3,918,291	3,677,804	2,211,286	3,863,352					
Six years later	5,195,861	3,758,958	3,752,425	2,216,639						
Seven years later	5,847,711	3,775,261	3,833,199							
Eight years later	5,931,289	3,874,372								
Nine years later	<u>5,849,563</u>									
Increase (decrease) in cumulative incurred claims from end of policy year	<u>\$ 2,489,563</u>	<u>\$ 574,372</u>	<u>\$ 110,051</u>	<u>\$ 1,848,361</u>	<u>\$ 402,648</u>	<u>\$ (9,326)</u>	<u>\$ 980,120</u>	<u>\$ 343,143</u>	<u>\$ (1,955,311)</u>	<u>\$ -</u>

See Independent Auditor's Report.

School Excess Liability Fund
Schedules of Changes in Claim Liabilities by Line of Coverage
Years Ended June 30, 2023 and 2022

	2023			2022		
	Total	Workers' Compensation	Package	Total	Workers' Compensation	Package
Unpaid claim liabilities, beginning of year	\$ 23,146,746	\$ 19,459,156	\$ 3,687,590	\$ 19,622,723	\$ 17,109,029	\$ 2,513,694
Incurred claims						
Provision for insured events of current year	6,159,118	3,886,409	2,272,709	6,053,392	3,071,340	2,982,052
Increase (decrease) in provision for insured events of prior years	<u>1,692,475</u>	<u>1,288,525</u>	<u>403,950</u>	<u>398,063</u>	<u>1,044,534</u>	<u>(646,471)</u>
Increase in incurred claims	<u>7,851,593</u>	<u>5,174,934</u>	<u>2,676,659</u>	<u>6,451,455</u>	<u>4,115,874</u>	<u>2,335,581</u>
Claim payments						
Payments-net on claims for insured events of current year	354,674	115,774	238,900	734,949	41,727	693,222
Payments-net on claims for insured events of prior years	<u>2,626,499</u>	<u>2,201,592</u>	<u>424,907</u>	<u>2,192,483</u>	<u>1,724,020</u>	<u>468,463</u>
Total claim payments	<u>2,981,173</u>	<u>2,317,366</u>	<u>663,807</u>	<u>2,927,432</u>	<u>1,765,747</u>	<u>1,161,685</u>
Unpaid claim liabilities, end of year	\$ <u>28,017,166</u>	\$ <u>22,316,724</u>	\$ <u>5,700,442</u>	\$ <u>23,146,746</u>	\$ <u>19,459,156</u>	\$ <u>3,687,590</u>

See Independent Auditor's Report.

SUPPLEMENTARY INFORMATION

School Excess Liability Fund
Combining Schedule of Net Income and Changes in Net Position for Fund Years 2005
through 2023
Year Ended June 30, 2023

<u>Fund Year</u>	<u>Net Position</u> <u>July 1, 2022</u>	<u>Net Income</u> <u>(Loss)</u>	<u>Less Surplus</u> <u>Returned to</u> <u>Members</u>	<u>Net Position</u> <u>June 30, 2023</u>
2005	\$ 748,131	\$ 16,876	\$ -	\$ 765,007
2006	518,749	14,600	-	533,349
2007	826,431	52,618	-	879,049
2008	1,137,100	(26,639)	-	1,110,461
2009	508,405	(13,188)	-	495,217
2010	78,100	(30,448)	-	47,652
2011	637,427	(7,077)	-	630,350
2012	118,152	(211,032)	-	(92,880)
2013	(973,690)	(56,653)	-	(1,030,343)
2014	(2,664,564)	81,726	-	(2,582,838)
2015	(338,025)	(88,933)	-	(426,958)
2016	250,902	(58,322)	-	192,580
2017	2,842,684	58,932	-	2,901,616
2018	878,417	160,393	-	1,038,810
2019	27,426	158,912	-	186,338
2020	1,038,925	168,070	-	1,206,995
2021	22,884	290,342	-	313,226
2022	(1,253,424)	(1,804,451)	-	(3,057,875)
2023	-	(982,023)	-	(982,023)
	<u>\$ 4,404,030</u>	<u>\$ (2,276,297)</u>	<u>\$ -</u>	<u>\$ 2,127,733</u>

See Independent Auditor's Report.

School Excess Liability Fund
Combined Cumulative Results Analysis for Fund Years 2005 through 2023
June 30, 2023

Revenue	
Underwriting income - regular contributions	<u>\$ 262,827,673</u>
Expenses	
Claims	
Paid	34,915,396
Case reserves	15,382,628
IBNR reserves	<u>12,634,537</u>
Claims - net	62,932,561
Insurance and reinsurance premiums	197,984,877
Administrative expenses	<u>2,450,345</u>
Total expenses	<u>263,367,783</u>
Operating loss	<u>(540,110)</u>
Non-operating income	
Other income	3,902
Investment return	<u>2,663,941</u>
Total non-operating income	<u>2,667,843</u>
Net income	2,127,733
Less: Surplus returned to members	<u>-</u>
Net position	<u>\$ 2,127,733</u>

See Independent Auditor's Report.

School Excess Liability Fund
2005 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

Underwriting income	
Regular contributions	\$ 1,523,220
Expenses	
Claims	
Paid	324,733
Case reserves	175,267
IBNR reserves	<u>2,248</u>
Claims - net	502,248
Other	
Insurance and reinsurance premiums	397,607
Administrative expenses	<u>87,712</u>
Total expenses	<u>987,567</u>
Operating income	<u>535,653</u>
Non-operating income	
Investment income	<u>229,354</u>
Total non-operating income	<u>229,354</u>
Net income	765,007
Less: Return of surplus	<u>-</u>
Net position	<u>\$ 765,007</u>

See Independent Auditor's Report.

School Excess Liability Fund
2006 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

Underwriting income	
Regular contributions	\$ 1,640,585
Expenses	
Claims	
Paid	545,548
Case reserves	279,106
IBNR reserves	<u>3,862</u>
Claims - net	<u>828,516</u>
Other	
Insurance and reinsurance premiums	411,864
Administrative expenses	<u>78,978</u>
Total expenses	<u>1,319,358</u>
Operating income	<u>321,227</u>
Non-operating income	
Investment income	<u>212,122</u>
Total non-operating income	<u>212,122</u>
Net income	533,349
Less: Return of surplus	<u>-</u>
Net position	<u>\$ 533,349</u>

See Independent Auditor's Report.

School Excess Liability Fund
2007 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 2,381,974	\$ 5,184,544	\$ 130,500	\$ 7,697,018
Expenses				
Claims				
Paid	799,118	813,956	-	1,613,074
Case reserves	86,127	-	-	86,127
IBNR reserves	<u>5,682</u>	<u>-</u>	<u>-</u>	<u>5,682</u>
Claims - net	<u>890,927</u>	<u>813,956</u>	<u>-</u>	<u>1,704,883</u>
Other				
Insurance and reinsurance premiums	933,541	4,317,488	-	5,251,029
Administrative expenses	<u>-</u>	<u>-</u>	<u>109,554</u>	<u>109,554</u>
Total other expenses	<u>933,541</u>	<u>4,317,488</u>	<u>109,554</u>	<u>5,360,583</u>
Total expenses	<u>1,824,468</u>	<u>5,131,444</u>	<u>109,554</u>	<u>7,065,466</u>
Operating income	<u>557,506</u>	<u>53,100</u>	<u>20,946</u>	<u>631,552</u>
Non-operating income				
Investment income	183,122	58,120	6,252	247,494
Miscellaneous income	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Total non-operating income	<u>183,122</u>	<u>58,120</u>	<u>6,255</u>	<u>247,497</u>
Net income	740,628	111,220	27,201	879,049
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 740,628</u>	<u>\$ 111,220</u>	<u>\$ 27,201</u>	<u>\$ 879,049</u>

See Independent Auditor's Report.

School Excess Liability Fund
2008 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 1,833,245	\$ 5,744,574	\$ 125,700	\$ 7,703,519
Expenses				
Claims				
Paid	260,616	857,901	-	1,118,517
Case reserves	199,556	-	-	199,556
IBNR reserves	<u>11,022</u>	<u>-</u>	<u>-</u>	<u>11,022</u>
Claims - net	<u>471,194</u>	<u>857,901</u>	<u>-</u>	<u>1,329,095</u>
Other				
Insurance and reinsurance premiums	515,450	4,820,917	-	5,336,367
Administrative expenses	<u>-</u>	<u>-</u>	<u>121,469</u>	<u>121,469</u>
Total other expenses	<u>515,450</u>	<u>4,820,917</u>	<u>121,469</u>	<u>5,457,836</u>
Total expenses	<u>986,644</u>	<u>5,678,818</u>	<u>121,469</u>	<u>6,786,931</u>
Operating income	<u>846,601</u>	<u>65,756</u>	<u>4,231</u>	<u>916,588</u>
Non-operating income				
Investment income	162,651	30,145	1,075	193,871
Miscellaneous income	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Total non-operating income	<u>162,651</u>	<u>30,145</u>	<u>1,077</u>	<u>193,873</u>
Net income	1,009,252	95,901	5,308	1,110,461
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 1,009,252</u>	<u>\$ 95,901</u>	<u>\$ 5,308</u>	<u>\$ 1,110,461</u>

See Independent Auditor's Report.

School Excess Liability Fund
2009 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 2,696,369	\$ 5,424,941	\$ 128,512	\$ 8,249,822
Expenses				
Claims				
Paid	460,279	950,000	-	1,410,279
Case reserves	265,539	-	-	265,539
IBNR reserves	<u>21,472</u>	<u>-</u>	<u>-</u>	<u>21,472</u>
Claims - net	<u>747,290</u>	<u>950,000</u>	<u>-</u>	<u>1,697,290</u>
Other				
Insurance and reinsurance premiums	1,423,848	4,539,620	-	5,963,468
Administrative expenses	<u>-</u>	<u>-</u>	<u>157,162</u>	<u>157,162</u>
Total other expenses	<u>1,423,848</u>	<u>4,539,620</u>	<u>157,162</u>	<u>6,120,630</u>
Total expenses	<u>2,171,138</u>	<u>5,489,620</u>	<u>157,162</u>	<u>7,817,920</u>
Operating income (loss)	<u>525,231</u>	<u>(64,679)</u>	<u>(28,650)</u>	<u>431,902</u>
Non-operating income				
Investment income	<u>59,940</u>	<u>2,559</u>	<u>816</u>	<u>63,315</u>
Total non-operating income	<u>59,940</u>	<u>2,559</u>	<u>816</u>	<u>63,315</u>
Net income (loss)	585,171	(62,120)	(27,834)	495,217
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 585,171</u>	<u>\$ (62,120)</u>	<u>\$ (27,834)</u>	<u>\$ 495,217</u>

See Independent Auditor's Report.

School Excess Liability Fund
2010 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 3,177,127	\$ 5,521,742	\$ 128,508	\$ 8,827,377
Expenses				
Claims				
Paid	920,798	810,000	-	1,730,798
Case reserves	366,169	-	-	366,169
IBNR reserves	48,300	-	-	48,300
Claims - net	<u>1,335,267</u>	<u>810,000</u>	<u>-</u>	<u>2,145,267</u>
Other				
Insurance and reinsurance premiums	1,883,994	4,636,299	-	6,520,293
Administrative expenses	-	-	149,697	149,697
Total other expenses	<u>1,883,994</u>	<u>4,636,299</u>	<u>149,697</u>	<u>6,669,990</u>
Total expenses	<u>3,219,261</u>	<u>5,446,299</u>	<u>149,697</u>	<u>8,815,257</u>
Operating income (loss)	<u>(42,134)</u>	<u>75,443</u>	<u>(21,189)</u>	<u>12,120</u>
Non-operating income				
Investment income	29,131	5,384	717	35,232
Miscellaneous income	-	-	300	300
Total non-operating income	<u>29,131</u>	<u>5,384</u>	<u>1,017</u>	<u>35,532</u>
Net income (loss)	(13,003)	80,827	(20,172)	47,652
Less: Return of surplus	-	-	-	-
Net position	<u>\$ (13,003)</u>	<u>\$ 80,827</u>	<u>\$ (20,172)</u>	<u>\$ 47,652</u>

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School Excess Liability Fund
2011 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 3,191,167	\$ 5,344,986	\$ 128,512	\$ 8,664,665
Expenses				
Claims				
Paid	796,453	536,149	-	1,332,602
Case reserves	272,157	-	-	272,157
IBNR reserves	50,164	-	-	50,164
Claims - net	<u>1,118,774</u>	<u>536,149</u>	<u>-</u>	<u>1,654,923</u>
Other				
Insurance and reinsurance premiums	1,960,627	4,412,062	-	6,372,689
Administrative expenses	-	-	110,517	110,517
Total other expenses	<u>1,960,627</u>	<u>4,412,062</u>	<u>110,517</u>	<u>6,483,206</u>
Total expenses	<u>3,079,401</u>	<u>4,948,211</u>	<u>110,517</u>	<u>8,138,129</u>
Operating income	<u>111,766</u>	<u>396,775</u>	<u>17,995</u>	<u>526,536</u>
Non-operating income				
Investment income	<u>57,985</u>	<u>44,000</u>	<u>1,829</u>	<u>103,814</u>
Total non-operating income	<u>57,985</u>	<u>44,000</u>	<u>1,829</u>	<u>103,814</u>
Net income	169,751	440,775	19,824	630,350
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 169,751</u>	<u>\$ 440,775</u>	<u>\$ 19,824</u>	<u>\$ 630,350</u>

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School Excess Liability Fund
2012 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 4,521,455	\$ 5,274,389	\$ 134,155	\$ 9,929,999
Expenses				
Claims				
Paid	1,513,109	900,000	-	2,413,109
Case reserves	258,747	-	-	258,747
IBNR reserves	152,889	-	-	152,889
Claims - net	<u>1,924,745</u>	<u>900,000</u>	<u>-</u>	<u>2,824,745</u>
Other				
Insurance and reinsurance premiums	2,655,968	4,384,324	-	7,040,292
Administrative expenses	-	-	181,406	181,406
Total other expenses	<u>2,655,968</u>	<u>4,384,324</u>	<u>181,406</u>	<u>7,221,698</u>
Total expenses	<u>4,580,713</u>	<u>5,284,324</u>	<u>181,406</u>	<u>10,046,443</u>
Operating loss	<u>(59,258)</u>	<u>(9,935)</u>	<u>(47,251)</u>	<u>(116,444)</u>
Non-operating income (loss)				
Investment income	24,761	938	644	26,343
Miscellaneous loss	-	-	(2,779)	(2,779)
Total non-operating income (loss)	<u>24,761</u>	<u>938</u>	<u>(2,135)</u>	<u>23,564</u>
Net loss	(34,497)	(8,997)	(49,386)	(92,880)
Less: Return of surplus	-	-	-	-
Net position	<u>\$ (34,497)</u>	<u>\$ (8,997)</u>	<u>\$ (49,386)</u>	<u>\$ (92,880)</u>

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School Excess Liability Fund
2013 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,117,385	\$ 6,314,628	\$ 135,352	\$ 11,567,365
Expenses				
Claims				
Paid	2,769,059	764,014	-	3,533,073
Case reserves	227,315	150,000	-	377,315
IBNR reserves	236,384	-	-	236,384
Claims - net	<u>3,232,758</u>	<u>914,014</u>	<u>-</u>	<u>4,146,772</u>
Other				
Insurance and reinsurance premiums	2,995,265	5,384,804	-	8,380,069
Administrative expenses	-	-	117,461	117,461
Total other expenses	<u>2,995,265</u>	<u>5,384,804</u>	<u>117,461</u>	<u>8,497,530</u>
Total expenses	<u>6,228,023</u>	<u>6,298,818</u>	<u>117,461</u>	<u>12,644,302</u>
Operating income (loss)	<u>(1,110,638)</u>	<u>15,810</u>	<u>17,891</u>	<u>(1,076,937)</u>
Non-operating income				
Investment income	27,671	13,855	465	41,991
Miscellaneous income	-	-	4,603	4,603
Total non-operating income	<u>27,671</u>	<u>13,855</u>	<u>5,068</u>	<u>46,594</u>
Net income (loss)	(1,082,967)	29,665	22,959	(1,030,343)
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (1,082,967)</u>	<u>\$ 29,665</u>	<u>\$ 22,959</u>	<u>\$ (1,030,343)</u>

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School Excess Liability Fund
2014 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,285,003	\$ 8,479,319	\$ 136,667	\$ 13,900,989
Expenses				
Claims				
Paid	3,988,289	900,000	-	4,888,289
Case reserves	548,319	-	-	548,319
IBNR reserves	412,955	-	-	412,955
Claims - net	<u>4,949,563</u>	<u>900,000</u>	<u>-</u>	<u>5,849,563</u>
Other				
Insurance and reinsurance premiums	3,101,913	7,448,776	-	10,550,689
Administrative expenses	-	-	121,351	121,351
Total other expenses	<u>3,101,913</u>	<u>7,448,776</u>	<u>121,351</u>	<u>10,672,040</u>
Total expenses	<u>8,051,476</u>	<u>8,348,776</u>	<u>121,351</u>	<u>16,521,603</u>
Operating income (loss)	<u>(2,766,473)</u>	<u>130,543</u>	<u>15,316</u>	<u>(2,620,614)</u>
Non-operating income				
Investment income	21,921	13,698	377	35,996
Miscellaneous income	1,780	-	-	1,780
Total non-operating income	<u>23,701</u>	<u>13,698</u>	<u>377</u>	<u>37,776</u>
Net income (loss)	(2,742,772)	144,241	15,693	(2,582,838)
Less: Return of surplus	-	-	-	-
Net position	<u>\$ (2,742,772)</u>	<u>\$ 144,241</u>	<u>\$ 15,693</u>	<u>\$ (2,582,838)</u>

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School Excess Liability Fund
2015 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,252,146	\$ 10,229,236	\$ 137,862	\$ 15,619,244
Expenses				
Claims				
Paid	2,072,290	900,000	-	2,972,290
Case reserves	543,041	-	-	543,041
IBNR reserves	359,041	-	-	359,041
Claims - net	<u>2,974,372</u>	<u>900,000</u>	<u>-</u>	<u>3,874,372</u>
Other				
Insurance and reinsurance premiums	3,064,331	9,082,835	-	12,147,166
Administrative expenses	-	-	127,532	127,532
Total other expenses	<u>3,064,331</u>	<u>9,082,835</u>	<u>127,532</u>	<u>12,274,698</u>
Total expenses	<u>6,038,703</u>	<u>9,982,835</u>	<u>127,532</u>	<u>16,149,070</u>
Operating income (loss)	<u>(786,557)</u>	<u>246,401</u>	<u>10,330</u>	<u>(529,826)</u>
Non-operating income				
Investment income	92,330	9,099	1,442	102,871
Miscellaneous loss	-	-	(3)	(3)
Total non-operating income	<u>92,330</u>	<u>9,099</u>	<u>1,439</u>	<u>102,868</u>
Net income (loss)	(694,227)	255,500	11,769	(426,958)
Less: Return of surplus	-	-	-	-
Net position	<u>\$ (694,227)</u>	<u>\$ 255,500</u>	<u>\$ 11,769</u>	<u>\$ (426,958)</u>

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School Excess Liability Fund
2016 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 6,045,369	\$ 10,949,211	\$ 138,104	\$ 17,132,684
Expenses				
Claims				
Paid	1,479,237	1,134,148	-	2,613,385
Case reserves	759,635	-	-	759,635
IBNR reserves	460,179	-	-	460,179
Claims - net	<u>2,699,051</u>	<u>1,134,148</u>	<u>-</u>	<u>3,833,199</u>
Other				
Insurance and reinsurance premiums	3,350,378	9,825,935	-	13,176,313
Administrative expenses	<u>-</u>	<u>-</u>	<u>129,951</u>	<u>129,951</u>
Total other expenses	<u>3,350,378</u>	<u>9,825,935</u>	<u>129,951</u>	<u>13,306,264</u>
Total expenses	<u>6,049,429</u>	<u>10,960,083</u>	<u>129,951</u>	<u>17,139,463</u>
Operating income (loss)	<u>(4,060)</u>	<u>(10,872)</u>	<u>8,153</u>	<u>(6,779)</u>
Non-operating income				
Investment income	<u>161,062</u>	<u>36,707</u>	<u>1,590</u>	<u>199,359</u>
Total non-operating income	<u>161,062</u>	<u>36,707</u>	<u>1,590</u>	<u>199,359</u>
Net income	157,002	25,835	9,743	192,580
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 157,002</u>	<u>\$ 25,835</u>	<u>\$ 9,743</u>	<u>\$ 192,580</u>

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School Excess Liability Fund
2017 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 6,619,268	\$ 10,679,393	\$ 139,109	\$ 17,437,770
Expenses				
Claims				
Paid	436,095	1,100,000	-	1,536,095
Case reserves	205,565	-	-	205,565
IBNR reserves	474,979	-	-	474,979
Claims - net	<u>1,116,639</u>	<u>1,100,000</u>	<u>-</u>	<u>2,216,639</u>
Other				
Insurance and reinsurance premiums	2,925,427	9,579,390	-	12,504,817
Administrative expenses	<u>-</u>	<u>-</u>	<u>130,058</u>	<u>130,058</u>
Total other expenses	<u>2,925,427</u>	<u>9,579,390</u>	<u>130,058</u>	<u>12,634,875</u>
Total expenses	<u>4,042,066</u>	<u>10,679,390</u>	<u>130,058</u>	<u>14,851,514</u>
Operating income	<u>2,577,202</u>	<u>3</u>	<u>9,051</u>	<u>2,586,256</u>
Non-operating income				
Investment income	<u>279,626</u>	<u>34,142</u>	<u>1,592</u>	<u>315,360</u>
Total non-operating income	<u>279,626</u>	<u>34,142</u>	<u>1,592</u>	<u>315,360</u>
Net income	2,856,828	34,145	10,643	2,901,616
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 2,856,828</u>	<u>\$ 34,145</u>	<u>\$ 10,643</u>	<u>\$ 2,901,616</u>

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School Excess Liability Fund
2018 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 6,343,695	\$ 10,995,181	\$ 140,145	\$ 17,479,021
Expenses				
Claims				
Paid	1,162,083	1,166,000	-	2,328,083
Case reserves	754,796	-	-	754,796
IBNR reserves	<u>780,473</u>	<u>-</u>	<u>-</u>	<u>780,473</u>
Claims - net	<u>2,697,352</u>	<u>1,166,000</u>	<u>-</u>	<u>3,863,352</u>
Other				
Insurance and reinsurance premiums	2,894,952	9,829,180	-	12,724,132
Administrative expenses	<u>-</u>	<u>-</u>	<u>132,711</u>	<u>132,711</u>
Total other expenses	<u>2,894,952</u>	<u>9,829,180</u>	<u>132,711</u>	<u>12,856,843</u>
Total expenses	<u>5,592,304</u>	<u>10,995,180</u>	<u>132,711</u>	<u>16,720,195</u>
Operating income	<u>751,391</u>	<u>1</u>	<u>7,434</u>	<u>758,826</u>
Non-operating income				
Investment income	229,936	48,297	1,752	279,985
Miscellaneous loss	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
Total non-operating income	<u>229,936</u>	<u>48,297</u>	<u>1,751</u>	<u>279,984</u>
Net income	981,327	48,298	9,185	1,038,810
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 981,327</u>	<u>\$ 48,298</u>	<u>\$ 9,185</u>	<u>\$ 1,038,810</u>

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School Excess Liability Fund
2019 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,659,953	\$ 11,174,844	\$ 141,294	\$ 16,976,091
Expenses				
Claims				
Paid	978,667	1,239,548	-	2,218,215
Case reserves	1,496,910	-	-	1,496,910
IBNR reserves	820,363	-	-	820,363
Claims - net	<u>3,295,940</u>	<u>1,239,548</u>	<u>-</u>	<u>4,535,488</u>
Other				
Insurance and reinsurance premiums	2,568,653	9,799,841	-	12,368,494
Administrative expenses	-	-	136,153	136,153
Total other expenses	<u>2,568,653</u>	<u>9,799,841</u>	<u>136,153</u>	<u>12,504,647</u>
Total expenses	<u>5,864,593</u>	<u>11,039,389</u>	<u>136,153</u>	<u>17,040,135</u>
Operating income (loss)	<u>(204,640)</u>	<u>135,455</u>	<u>5,141</u>	<u>(64,044)</u>
Non-operating income				
Investment income	142,163	106,038	2,187	250,388
Miscellaneous loss	-	-	(6)	(6)
Total non-operating income	<u>142,163</u>	<u>106,038</u>	<u>2,181</u>	<u>250,382</u>
Net income (loss)	(62,477)	241,493	7,322	186,338
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (62,477)</u>	<u>\$ 241,493</u>	<u>\$ 7,322</u>	<u>\$ 186,338</u>

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School Excess Liability Fund
2020 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,760,874	\$ 11,942,321	\$ 142,583	\$ 17,845,778
Expenses				
Claims				
Paid	387,137	985,467	-	1,372,604
Case reserves	798,791	242,489	-	1,041,280
IBNR reserves	913,881	-	-	913,881
Claims - net	<u>2,099,809</u>	<u>1,227,956</u>	<u>-</u>	<u>3,327,765</u>
Other expenses				
Insurance and reinsurance premiums	2,594,602	10,716,973	-	13,311,575
Administrative expenses	-	-	133,383	133,383
Total other expenses	<u>2,594,602</u>	<u>10,716,973</u>	<u>133,383</u>	<u>13,444,958</u>
Total expenses	<u>4,694,411</u>	<u>11,944,929</u>	<u>133,383</u>	<u>16,772,723</u>
Operating income (loss)	<u>1,066,463</u>	<u>(2,608)</u>	<u>9,200</u>	<u>1,073,055</u>
Non-operating income				
Investment income	55,259	77,658	1,022	133,939
Miscellaneous income	-	-	1	1
Total non-operating income	<u>55,259</u>	<u>77,658</u>	<u>1,023</u>	<u>133,940</u>
Net income	1,121,722	75,050	10,223	1,206,995
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ 1,121,722</u>	<u>\$ 75,050</u>	<u>\$ 10,223</u>	<u>\$ 1,206,995</u>

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School Excess Liability Fund
2021 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,167,928	\$ 17,607,505	\$ 143,902	\$ 22,919,335
Expenses				
Claims				
Paid	530,353	534,918	-	1,065,271
Case reserves	1,243,551	446,945	-	1,690,496
IBNR reserves	<u>1,154,814</u>	<u>520,040</u>	-	<u>1,674,854</u>
Claims - net	<u>2,928,718</u>	<u>1,501,903</u>	-	<u>4,430,621</u>
Other expenses				
Insurance and reinsurance premiums	2,644,741	15,394,432	-	18,039,173
Administrative expenses	<u>-</u>	<u>-</u>	<u>136,225</u>	<u>136,225</u>
Total other expenses	<u>2,644,741</u>	<u>15,394,432</u>	<u>136,225</u>	<u>18,175,398</u>
Total expenses	<u>5,573,459</u>	<u>16,896,335</u>	<u>136,225</u>	<u>22,606,019</u>
Operating income (loss)	<u>(405,531)</u>	<u>711,170</u>	<u>7,677</u>	<u>313,316</u>
Non-operating income (loss)				
Investment income (loss)	<u>3,885</u>	<u>(3,768)</u>	<u>(207)</u>	<u>(90)</u>
Total non-operating income (loss)	<u>3,885</u>	<u>(3,768)</u>	<u>(207)</u>	<u>(90)</u>
Net income (loss)	(401,646)	707,402	7,470	313,226
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (401,646)</u>	<u>\$ 707,402</u>	<u>\$ 7,470</u>	<u>\$ 313,226</u>

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School Excess Liability Fund
2022 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,368,386	\$ 21,833,358	\$ 143,687	\$ 27,345,431
Expenses				
Claims				
Paid	686,751	858,004	-	1,544,755
Case reserves	2,757,965	950,300	-	3,708,265
IBNR reserves	1,398,824	1,356,859	-	2,755,683
Claims - net	4,843,540	3,165,163	-	8,008,703
Other				
Insurance and reinsurance premiums	2,730,386	19,533,076	-	22,263,462
Administrative expenses	-	-	143,687	143,687
Total other expenses	2,730,386	19,533,076	143,687	22,407,149
Total expenses	7,573,926	22,698,239	143,687	30,415,852
Operating loss	(2,205,540)	(864,881)	-	(3,070,421)
Non-operating income (loss)				
Investment income (loss)	24,416	(11,729)	(143)	12,544
Miscellaneous income	-	-	2	2
Total non-operating income (loss)	24,416	(11,729)	(141)	12,546
Net income (loss)	(2,181,124)	(876,610)	(141)	(3,057,875)
Less: Return of surplus	-	-	-	-
Net position	\$ (2,181,124)	\$ (876,610)	\$ (141)	\$ (3,057,875)

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School Excess Liability Fund
2023 Fund Year - Cumulative Operating Results Analysis
June 30, 2023

	<u>Workers'</u> <u>Compensation</u>	<u>Package</u>	<u>Administration</u>	<u>Totals</u>
Underwriting income				
Regular contributions	\$ 5,479,840	\$ 24,742,581	\$ 145,339	\$ 30,367,760
Expenses				
Claims				
Paid	115,774	238,900	-	354,674
Case reserves	1,724,238	630,100	-	2,354,338
IBNR reserves	<u>2,046,397</u>	<u>1,403,709</u>	-	<u>3,450,106</u>
Claims - net	<u>3,886,409</u>	<u>2,272,709</u>	-	<u>6,159,118</u>
Other				
Insurance and reinsurance premiums	2,844,807	22,380,569	-	25,225,376
Administrative expenses	<u>-</u>	<u>-</u>	<u>145,339</u>	<u>145,339</u>
Total other expenses	<u>2,844,807</u>	<u>22,380,569</u>	<u>145,339</u>	<u>25,370,715</u>
Total expenses	<u>6,731,216</u>	<u>24,653,278</u>	<u>145,339</u>	<u>31,529,833</u>
Operating loss	<u>(1,251,376)</u>	<u>89,303</u>	<u>-</u>	<u>(1,162,073)</u>
Non-operating income (expense)				
Investment income	32,408	146,787	856	180,051
Miscellaneous expense	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Total non-operating income	<u>32,407</u>	<u>146,787</u>	<u>856</u>	<u>180,050</u>
Net income (loss)	(1,218,969)	236,090	856	(982,023)
Less: Return of surplus	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position	<u>\$ (1,218,969)</u>	<u>\$ 236,090</u>	<u>\$ 856</u>	<u>\$ (982,023)</u>

See Independent Auditor's Report.

**School Excess Liability Fund
Cumulative Expense Analysis
Years Ended June 30, 2023 and 2022**

2023 Fund Year	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Administrator	\$ 75,000	\$ -	\$ 75,000
Actuary	10,710	-	10,710
Attorney	9,375	3,125	12,500
Auditor	-	7,449	7,449
Treasurer	3,684	-	3,684
Non-contracted expense	2,295	5,965	8,260
Contingency	-	10,000	10,000
Claims service	11,300	6,436	17,736
	<u>\$ 112,364</u>	<u>\$ 32,975</u>	<u>\$ 145,339</u>

2022 Fund Year	<u>Paid</u>	<u>Unpaid</u>	<u>Total</u>
Administrator	\$ 75,000	\$ -	\$ 75,000
Actuary	10,500	-	10,500
Attorney	12,000	-	12,000
Auditor	7,094	-	7,094
Treasurer	3,612	-	3,612
Non-contracted expense	6,125	2,135	8,260
Contingency	-	10,000	10,000
Claims service	16,892	329	17,221
	<u>\$ 131,223</u>	<u>\$ 12,464</u>	<u>\$ 143,687</u>

See Independent Auditor's Report.

**School Excess Liability Fund
Schedule of Findings and Recommendations
June 30, 2023**

None.